

Charter Contract
Between
Arizona State Board for Charter Schools
And
John Doe

1. **Parties:** The Arizona State Board for Charter Schools is authorized, pursuant to Arizona Revised Statutes ("A.R.S.") Title 15, Chapter 1, Article 8, to execute a Charter Contract transferring the Charter of a Charter School to provide a learning environment to improve pupil achievement and to provide additional academic choices for parents and pupils.
- A. This Charter Contract is entered into between, **John Doe, Inc.** ("Charter Operator") and the Arizona State Board for Charter Schools for the purpose of transferring the charter of a charter school known as **John Doe** from the Arizona State Board of Education to the Arizona State Board for Charter Schools.
- B. The person authorized to sign and act on behalf of the Arizona State Board for Charter Schools is the President or Executive Director of the Arizona State Board for Charter Schools.
- C. The person authorized to sign on behalf of the Charter Operator is, **NAME, ("Charter Representative")**.
- D. The Charter Representative affirms as a condition of this Charter Contract, that he/she is the above-described representative of the Charter Operator and has legal authority to sign this Charter Contract on behalf of the Charter Operator.
- E. Attached hereto as Attachment **A**, and incorporated herein by reference, is a copy of a resolution of the board of directors of a corporate entity, or a written agreement by the members or managers of a limited liability company or signed affidavit authorizing the individual listed above to sign documents, including this Charter Contract, or a written agreement of the individual persons listed in paragraph 1 A, on behalf of the Charter Operator. *Please initial*_____.
- F. The Charter Representative affirms that on behalf of the Charter Operator, as a condition of this Charter Contract, that the **Non-Profit Corporation** was duly authorized according to the laws of the State of Arizona. Attached as Attachment **A** and incorporated herein by reference is proof of the Charter Operator's legal formation, if the Charter Operator is not a natural person or persons. *Please initial*_____.
- G. The Charter Representative further affirms that the Charter Operator is, and will remain, in good standing with the applicable regulatory body (e.g., for an Arizona Corporation, the Arizona Corporation Commission).
- H. Attached as Attachment **B/C** and incorporated herein by reference is a true and correct copy of the Application of the Charter Operator that was relied upon by the Arizona State Board for Charter Schools in granting this transfer Charter Contract and the Charter Operator's prior charter contract with the Arizona State Board of Education. *Please initial*_____.

*Please initial*_____.

- I. The parties agree that this Charter Contract will be effective on and after
DATE. *Please initial*_____.
2. **Purpose:** The Charter Operator shall provide educational services according to the educational standards established by law, the Charter Contract and the Application shall measure pupil progress toward the pupil outcomes adopted by the Arizona State Board of Education; and shall participate in the assessment tests and the nationally standardized norm-referenced achievement tests designated by the Arizona State Board of Education and any other assessments required by the Arizona State Board for Charter Schools.
3. **Operation of the School:**
- A. Neither party to this Charter Contract is the employee or agent of the other party.
- B. Any change in the ownership of the Charter Operator, or change in the name of the Charter Operator, change in the Charter Representative, or change in membership of the board of directors of a corporate entity or the member (s) or manager(s) of a limited liability company or manager of the Charter Operator, require an amendment to the Charter Contract be approved following the process outlined in Paragraph 9.
- C. No right or interest in this Charter Contract shall be assigned by anyone on behalf of the Charter Operator without any prior written approval of the Arizona State Board for Charter Schools and delegation of any contractual duty of the Charter Operator shall not be made without any prior written approval of the Arizona State Board for Charter Schools.
- D. The Charter Operator must have a governing body pursuant to A.R.S. §15-183(E)(8). The school shall comply with Arizona's Open Meeting Laws (A.R.S. §38-431 to 431.09).
- E. The school shall be nonsectarian in its programs, admission policies and employment practices and all other operations (A.R.S. §15-183(E)(2)).
- F. The Charter Operator shall comply with all Federal and State laws relating to the Education of Children with Disabilities in the same manner as a school district (A.R.S. §15-183(E)(7)).
4. **Applicable Law:** The material and services provided by this Charter Operator under this charter contract shall comply with all applicable Federal, State, and local laws and shall conform, in all respects, with the educational standards contained in its application and charter contract. Charter Contract shall be interpreted pursuant to the laws of the State of Arizona.
5. **Sites:**
- A. The School shall provide educational services, including the delivery of instruction at the following location(s):

John Doe
660 E. Van Buren Street
Phoenix, AZ 85004

*Please initial*_____.

- B. The Charter Operator shall maintain either ownership a lease or other suitable agreement covering the use of all facilities, and shall ensure that the facilities comply with all appropriate state and local health and safety standards and other applicable laws, regulations and rules. *Please initial*_____.

6. Term of Charter Contract pursuant to law (currently A.R.S. § 15-183 I)

- A. An approved plan to transfer a charter school is effective for fifteen (15) years from the first day of operation of the charter school under the prior sponsor. For purposes of this Charter Contract, the first day of operation of the School under the prior sponsor was **DATE**.

7. Non-Availability of Funds: Every payment obligation of the State of Arizona, under this Charter Contract, is conditioned upon the availability of funds appropriated or allocated for the payment of such obligations. If funds are not allocated and available for the continuance of this Charter Contract, the Arizona State Board for Charter Schools may terminate this Charter Contract at the end of the period for which funds are available. No liability shall accrue to the Arizona State Board for Charter Schools, nor the State of Arizona, nor any of its subdivisions, departments or divisions in the event this provision is exercised, and neither the State of Arizona nor Arizona State Board for Charter Schools shall be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

8. Charter Contract Interpretation:

- A. **Merger:** The Charter Operator and the Arizona State Board for Charter Schools intend this Charter Contract, including all of the attachments, to represent a final and complete expression of their agreement; except that the parties recognize that amendments to the Charter Contract may be approved from time to time hereafter. No course of prior dealings between the parties shall supplement or explain any terms used in this document.
- B. **Waiver:** Either party's failure to insist on strict performance of any term or condition of the Charter Contract shall not constitute a waiver of that term or condition, even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
- C. **Severability:** The provisions of this Charter Contract are severable. Any term or conditioned deemed illegal or invalid shall not affect any other term or condition of the Charter Contract.
- D. **Assignment:** Neither party may assign or transfer this charter contract unless authorized by law. No delegation of any duty of the Charter Operator shall be made without prior written permission of the Arizona State Board for Charter Schools.

9. Amendments Requiring Board Approval:

- A. Pursuant to laws A.R.S. §15-183 (G), any amendment to the Charter Contract will be effective only if approved in writing by the Charter Operator and the governing body at a public meeting. If the Charter Operator is a corporation, an amendment must be accompanied by a resolution of the governing body. If the Charter Operator is a limited liability company, an amendment must be accompanied by a written agreement of the majority of the members or managers. It must also be approved by the Arizona State Board for Charter Schools, before the Charter Operator can take action of implement the changes requested in the amendment.
- B. All amendments must be submitted pursuant to any procedures or rules formulated by the Arizona State Board for Charter Schools.

*Please initial*_____.

- C. Any Amendment to the Charter Contract not specifically listed in Paragraph Nine (9) or Ten (10) of the Charter Contract shall require the Arizona State Board for Charter Schools approval as listed herein.

Provisions requiring prior approval through the amendment process include:

- Change in legal status of the Charter Operator, change in the corporate name of the Charter Operator, change in the ownership of the Charter Operator
- Changes to School description/mission
- Changes in grade levels served
- Changes in the School calendar involving the number of instructional days
- Changes in curriculum or instruction
- Changes in the method(s) used to measure pupil progress or changes in % of mastery
- USFRCS exception
- Procurement exception

10. Amendments Requiring Notification of Changes:

- A. Changes to the Charter Contract listed below do not require an amendment be made pursuant to Paragraph 9 and shall be accomplished through written notification. Amendments which can be accomplished through written notification become effective only when the notification is approved by the Charter Operator, Governing Body at a public meeting, and signed by both the President or the President's Designee of the Arizona State Board for Charter Schools and the Charter Representative.
- B. The Charter Operator shall not implement action described by a notification of change until representatives of both parties sign the notification. The President of the Arizona State Board for Charter Schools or the President's Designee may require in his or her sole discretion that a notification be submitted to the Arizona State Board for Charter Schools for approval pursuant to paragraph 9.

Provisions requiring prior approval through the Notification process include:

- Name, address & phone and fax number of Charter School and/or contact person
- Changes in the names of additional persons authorized to act as a Charter Representative
- Changes in members of the governing body of the corporate entity, members or managers of a Limited Liability Company or manager of the Charter Operator
- Changes in School location (changes of site and/or adding sites)
- Change in enrollment—necessary for school finance

11. Insurance: The Charter Operator shall obtain and maintain insurance in accordance with the laws of the State of Arizona.

- A. Waiver of Rights: The Charter Operator and its insurers providing the required coverage's shall waive all rights of recovery against the State of Arizona and the Arizona State Board for Charter Schools and the Department of Education, their agents, officials, assignees and employees.
- B. Verification: If requested, the Charter Operator shall provide the Arizona State Board for Charter Schools with copies of any or all of its insurance policies and/or endorsements.

12. Management and Administration: Except as provided in A.R.S. § 15, Chapter 1, Article 8)and this Charter Contract, the School and the Charter Operator are exempt from all Arizona statutes and rules relating to schools, governing boards and school districts to the extent permitted by law.

Please initial_____.

13. **The Charter Operator and the School:** Shall abide by all requirements of this charter contract, as well as State, Federal and local laws applicable to the operation of a charter school.
- A. A.R.S. § 15-181(E)(1) requires that the Charter Operator shall comply with Federal, State and local rules, regulations and statutes relating to health, safety, civil rights and insurance. *Please initial*_____.
14. **Indemnification and Acknowledgements:** The Charter Operator shall defend, indemnify, and hold harmless the State of Arizona, the Arizona State Board for Charter Schools, its officers, directors, agents and employees from any and all claims, demands, suits, actions, proceedings, loss, cost, and damages of every kind and description, including but not limited to attorneys' fees and/or litigation expenses which may be brought or made against or incurred by the State or the Arizona State Board for Charter Schools on account of any action of the Charter Operator, its employees, agents or assigns. The provisions or limits of insurance required under this contract shall not limit the liability of the Charter Operator.
- A. The parties acknowledge that neither the Arizona State Board for Charter Schools, nor the State of Arizona, nor its agencies, boards, commissions or division are liable for the debts or financial obligations of a charter school or persons or entities who operate charter schools.
- B. The parties acknowledge that, pursuant to law, the Arizona State Board for Charter Schools, its members, officers and employees are immune from personal liability for all acts done and actions taken in good faith within the scope of its authority during duly constituted regular and special meetings.
15. **Performance Indicators and Evaluation:** Applicable statutes (A.R.S. § 15-183 (E) (4) require that the Charter Operator shall complete and distribute as to each school site, the following:
- A. An annual report card, as prescribed in Title 15, Chapter 7, Article 3, in a format developed by the Arizona Department of Education.
- B. Outcome measures as directed by the Arizona State Board for Charter Schools.
16. **Financial Requirements:** The school shall comply with the same financial and electronic data submission requirements as a school district, including the Uniform System of Financial Records (USFRCS) as prescribed in A.R.S. Title 15, chapter 2, article 4, procurement rules as prescribed in A.R.S. 15-213 and audit requirements unless specifically excepted by the Arizona State Board for Charter Schools (A.R.S. 15-183(E)(6). If the school has received an exception to the USFRCS and Procurement rules by its sponsor, as authorized by A.R.S. 15-183(E)(6), at a minimum, the school shall follow Generally Accepted Accounting Principles (GAAP). In addition, the school shall contract for at least an annual financial statement audit that meets the following conditions:
- It is conducted by an independent certified public accountant; and
 - It is conducted in accordance with generally accepted governmental auditing standards; and
 - It complies with policies adopted by the Arizona State Board for Charter Schools.

*Please initial*_____.

17. **Training:** Subsequent to the signing of this Charter Contract and prior to the Charter Operator's provision of educational instruction under this Charter Contract, the Charter Representative shall attend the full-day (insert name of training here) sponsored by the Arizona Department of Education, Exceptional Student Services.
18. **Technical Assistance Teams, Audits and Records:** The Charter Operator shall allow representatives from the Arizona State Board for Charter Schools, Arizona Department of Education and/or Arizona Auditor General to visit each school site at any reasonable time. The Charter Operator shall allow the representatives to conduct financial, program or compliance audits pursuant law (currently to A.R.S. § 15-183 (E) (6)).
- A. At any time upon request by a designee of the Arizona State Board for Charter Schools, the Arizona Department of Education and/or the Arizona Auditor General, the Charter Operator shall hold open for inspection all records, all documents and files relating to any activity or program provided by the Charter Operator relating to the School or by the School.
19. **Length of School Year:** The Charter Operator shall provide instruction for no less than the number of days required by statute or as stated in the Application, whichever is greater and meet the minimum hours of instruction (A.R.S. §15-901(A)(2)(b)(i) and (A)(2)(c). *Please initial*_____.
20. **Non-Renewal and Termination of the Charter Contract:**
The Arizona State Board for Charter Schools may revoke and/or not renew the Charter Contract pursuant to the provisions established by law and rules, for the Charter Operator's failure to begin providing educational instruction within the timeframe outlined in paragraph 3(E); or for any violation of the Charter Contract, State, Federal or local laws, ordinances or rules or regulations; or violation of GAAP; or for conditions which threaten the health, safety, or welfare of the students or staff of the School or of the general public.
21. **Employees and Contractors:** This Charter Contract is not an employment contract. No officer, employee, agent, or subcontractor of the Charter Operator or the School is an officer, employee, or agent of the Arizona State Board for Charter Schools or the State of Arizona.
22. **Non-Discrimination:** The Charter Operator shall comply with State Executive Order No. 99-4, which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities, and all other applicable federal and state laws, rules and regulations, including the American with Disabilities Act and the Individuals with Disabilities Education Act. The Charter Operator shall take affirmative action to ensure that applicants for employment, employees and persons to whom it provides services are not discriminated against due to race, creed, color, religion, sex, national origin or disability.
23. **Affidavit, Disclosure, Permission, and Fingerprint Clearance Card:** The Charter Contract fully incorporates the Affidavit, Disclosure, Permission, Granted Form and Fingerprint Clearance Card. *Please initial*_____.
24. **Fingerprints:** The Charter Operator shall comply with the fingerprint requirements of ARS §15-183(C)(4).

Charter Operator is responsible for fingerprinting and maintaining up-to-date fingerprints of any and all Governing Body members. These must be maintained throughout the duration of this contract. *Please initial*_____.

*Please initial*_____.

25. **Notices:** Any notice required, or permitted, under the Charter Contract shall be in writing and shall be effective immediately upon personal delivery, or three (3) days after mailing when sent by certified mail, to the following:

Charter Operator:

John Doe

Arizona State Board for Charter Schools:

Kristen Jordison, Executive Director
Arizona State Board for Charter Schools
1700 West Washington Street, Suite 164
Phoenix, AZ 85007

The Arizona State Board for Charter Schools may make changes in the address of its contact person upon notice thereof to the Charter Operator

Executed this _____ day of _____ 2003.

By _____
Charter Representative for

ARIZONA STATE BOARD FOR CHARTER SCHOOLS

Executed this _____ day of _____ 2003.

By _____
Kristen Jordison, Executive Director of the Arizona State Board for Charter Schools.